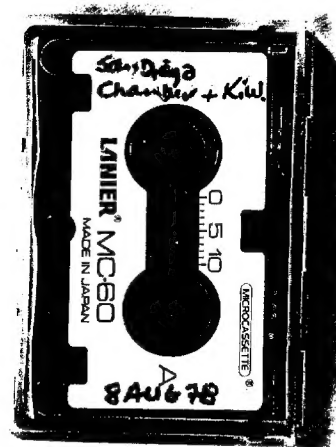


C.T.

**CASSETTE
TAPE**



DCI TALK TO SAN DIEGO
CHAMBER OF COMMERCE & KIWANIS CLUB
TUESDAY, 8 August 1978

Thank you very much Dick, despite your gross exaggerations. Bob, thank you for having me here from the Kiwanis side. It is really a great treat for Pat and me to be back in San Diego. I did four tours of sea duty based here and found it such a wonderful place to live. Pat and I feel though, as if we left our daughter, son-in-law, a mother, an uncle and aunts, cousins, godsons, all here in San Diego so we are very much at home with you whenever we have this kind of opportunity to come back.

Because of that background I know how much San Diegans are concerned and interested in matters of national security, so I am delighted to have the chance to talk to you today about American intelligence, because our intelligence capability is indeed one of the cornerstones of our national security. It is interesting I think to look back and realize that perhaps as little as five or eight years ago, this talk probably would not have taken place. In those days intelligence simply was not discussed in public; it was almost totally secretive. And yet, since then the events in Vietnam and Watergate have virtually propelled intelligence activities into the headlines. Allegations have followed upon allegations. Stories have been written over and over again in the press. And what hasn't been written in the press has been disclosed by former agents in their

books. What has happened is that American intelligence has come to operate in a much more open way than ever before in its history. Well you might ask, can you, in this kind of a fishbowl continue to be effective. Can you cast away this tradition and past precedent of total secrecy and still do the job that needs to be done for our country?

What I would like to say to you today is that my opinion is yes. Not in spite of this new openness but because of it. Being open is being American and therefore, I believe we find great strengths in being more open with you, the American public. First, because I sincerely believe that no agency of our government can remain effective over the long run unless it has the support of the American public. Now, intelligence over the years has always had that support, but it has had it largely on faith. Largely on an inherent recognition by the American public that there were some things about which you could not and should not talk. The result, however, was that in 1975 and 1976, when we were cast into the press and under intense public criticism there simply was no reservoir of understanding, of support. There was no way for the American public to balance past achievements of the intelligence community with these alleged abuses. So, by being more open today we hope and expect that we are generating a sense of support a sense of understanding and we are doing that in a number of ways. My being here with you today is part of that commitment to openness. I and my deputy, Ambassador Frank Carlucci speak on the average perhaps to about six groups

Approved For Release 2001/08/14 : CIA-RDP80B01554R002800340001-8

across our country every month. Secondly, we are being more open with the American media when they make inquiries to us. There are still many, many instances when all we say is "no comment." But our needle is not stuck in that groove anymore. Thirdly, we are publishing more in unclassified form and making it available to the public and we think that is making a contribution. But let me note to you at this point that these are controlled disseminations, all three of these steps--speeches, media responses and publications. They are done by responsible authorities. We are not simply opening the floodgates and telling every intelligence professional that he can go out and say what he wants to say. Clearly we must not talk about those things which cannot be discussed in public without danger to our country.

For instance, I mentioned our publications. What we do today is when any element of the intelligence community produces a classified study, we take a look at it and we say to ourselves if we remove from that study those elements that really must remain secret, will there be enough left to be of value to the American public? Would what was left enhance the quality of American debate on some important topic? If the answer is yes, we publish it. We publish on a wide diversity of topics: energy forecasts, international terrorism, international economic statistics, Soviet military expenditures, Soviet military strengths and recently an interesting one on the civil defense program in the Soviet Union. I brought some of these

with me and they will be available to those who are interested at the door when we leave. Now I can assure you that with this policy of openness the problem of protecting our true secrets in this country is still a very substantial one. Yet, I believe that greater openness is one way to ensure greater secrecy. If that appears to you to be a contradiction, let me explain it briefly.

By publishing more and putting it into the public domain we are, in fact, constricting the amount of classified information that must be kept by the Government. One of the greatest problems we have today in retaining secrets is that so much that is not really secret is so labeled. People look at that document, it says confidential, or secret, or top secret or maybe destroy before reading and they don't really believe it. And we do have a very serious problem of too many leaks of things which must and should be kept secret.

Every reporter, today, it seems to me aspires to be a Woodward or a Bernstein. Recently, for instance, one of the presidents of a major university made the comment that just a few years ago college graduates aspired to go into medicine. Today, they think they can find their fame and fortune better in journalism. The rewards, the satisfactions from criticizing our society, from uncovering its faults and its warts, appear to be greater today than from helping to build our society. Too often today, every public servant is suspect, every renegade so-called whistle blower is an automatic hero.

Let me again say to you, that when there is little trust of public officials and when destroying is preferred by many to building, we as a nation are in trouble. Let me assure you, nonetheless, that I view the activities, the revelations of Woodward and Bernstein as an important contribution to the strength of our country. But we must never forget that when they were finished, somebody had to step in and begin the job of building back again. Yes, there has been too much secrecy in the past and there is too much secrecy today in government, but secrecy is not inherently good or bad, moral or immoral. Secrecy is simply a condition of necessity. There are certain things which governments, business, and private individuals cannot or will not do unless there is some modicum of assurance of confidentiality. It is particularly true of course, with governments; it is particularly true with the intelligence activities of governments. Our country today has a legitimate need to know what is going on in foreign lands, because more today than perhaps ever before in our history what happens abroad can have a direct bearing on you and on me and on our country's welfare. Yet, many of these countries that have this impact on us are not open societies like ours; not ones where you can get a feel for what is going on by reading the newspapers-- you need intelligence. And yet, if we were to disclose our sources of gaining that information for our nation's policymakers, clearly those sources would dry up. Remember how in World War II we broke the German and Japanese codes. Think how little good that would have done us if we had permitted that to leak out

into the public. The problem, however, is how with some need for secrecy such as this, can we give assurance to the American public that the secrets are not being held for purposes of covering up misdeeds or malfeasance.

I believe that out of the crucible of these last several years of criticism of the American intelligence community, we have been forging a new process of what I call surrogate public oversight. By that I mean that when the public cannot know everything that we can do, we can establish surrogates for the public, who will know as much as is necessary for the right check upon our activities. Who are those surrogates? First, there is the President and Vice President of the United States. Today they take a very keen and active interest in our intelligence activities. I meet personally with the President weekly and keep him fully posted of the things that we are doing. He and the Vice President don't hesitate to give me guidance and specific direction. Secondly, 2 1/2 years ago we created something known as the Intelligence Oversight Board. This board today consists of three distinguished Americans: former Senatore Gore of Tennessee, former governor Scranton of Pennsylvania, and a Washington attorney, Thomas Farmer. These three gentlemen are empowered to look into the legality and the propriety of what we are doing in the world of intelligence. If any member of the intelligence community--or for that matter any private citizen wants to look into or believes he knows there is something being done improperly or illegally by any of us in the world of intelligence, we will work with

Approved For Release 2001/08/14 : CIA-RDP80B01554R002800340001-8

this board. The board will investigate and then will report only to the President of the United States what they believe should be done about it.

I believe that these procedures today, for surrogate oversight give the American public a greater assurance than has ever been possible before, that we are conducting our intelligence activities in conformance with the standards the American public would want us to, and also in conformance with the overall foreign policy of our country. And at the same time I would suggest that these surrogate oversight mechanisms provide to the so-called whistle-blowers a wonderful opportunity if they are really interested in reform rather than in simply praise or profit. Because, if the whistle blower will go to one of these oversight mechanisms, he can avoid disclosing classified information that could be of grave harm to our country and only afterwards, if he failed in that process, feel that he actually had to go public. Now let me be totally candid with you. Clearly, there are risks in oversight. First, there is the risk of leaks. The more people who know any given secret, no matter who they are, the more probability that there will be a leak. And beyond that there is the risk of over-management. As people oversee, they sometimes tend to want to get into increasing amount of detail and, in fact, to direct or manage rather than oversee. In intelligence as in anything else, too many cooks can spoil the broth. I think that what we need is to establish a right

balance between enough oversight to give assurance, but not so much as to hobble our intelligence activities. Today we are developing that balance, and I think the proportions are correct. But, again, I would be candid with you, it will probably be another two years before we have adjusted, worked out the system of checks and balances and are certain that we are really on solid footing.

Well you might ask me, is it all worth it? Is it worth the risk to have this oversight? I think so, for two principal reasons. First, it does give an assurance not only to the American public, but to us within the intelligence community that we are on the right track. Secondly, let me point out that it is much easier to manage a large organization when it is held very strictly accountable. Particularly in a sensitive and secretive business like intelligence, it is easy to get carried away with dedicated enthusiasm. It is easy perhaps to take risks that perhaps aren't warranted. But when you know that you are going to have to stand up and defend those decisions in front of skeptics, in front of people who are overseeing you, you feel now that you have a different measure of what actions you can and you should take. It helps, it really does help a manager to have an organization that is held accountable. So what I am saying to you is that in my view the risks of oversight and openness are more than counterbalanced by the benefits. The benefits of greater support from the American people; the benefits of greater

the corpus of secrets; the benefits of greater assurance against abuses; and the benefits of easier management procedures.

There are several other exciting developments in American intelligence today that I would like to mention briefly. One of these is changes in the way we go about collecting intelligence information. Basically, there are two ways to get intelligence data. One is the traditional human agent, the spy. The other is the more modern technique of using sophisticated technical procedures to gain information-- usually by means of photographs or by means of intercepting signals that are going through the air. There has been almost a revolution in this technical side of intelligence collection in the last several decades. Because we are the most sophisticated technological nation in the world, this gives us one of our great advantages in the field of intelligence today. We in fact, are able with these technical means to collect a wealth of data, almost so much that we may be surfeited. And yet, what a photograph will tell you, for instance, is generally what happened yesterday. And what you often want to know is why did it happen yesterday and what is going to happen tomorrow. That is the forte of the traditional human intelligence agent: seeking our people's intentions, people's plans, people's ideas for the future. So what we are trying to do today is find the right mix between the old human agent and the new sophisticated technical techniques.

Approved For Release 2001/08/14 : CIA-RDP80B01554R002800340001-8

an exciting challenge, particularly when you have a large and diverse bureaucracy that you must bring about a sense of true team work in.

Secondly, there is also a marked change in the focus of our intelligence efforts overall. If you look back 30 years to when this country first organized a central intelligence activity, our principal focus in those days was the Soviet military effort. That was viewed as the primary threat to our country and, therefore, all of our intelligence organizations focused primarily on that. Look at how the world has changed since then. Today our country has important, legitimate interests in most of the 150-some nations in the world. Yet, our intercourse with most of those nations is much more economic and political than it is military. And so, we have had to expand our focus, being able to not only cover matters of military import, but economic and political as well. Look what that does to the number of skills we must have in our storehouse. Today we must be able to deal with grain forecasts, energy forecasts, medical predictions on leaders of the rest of the world, political movements, economic data and so on. Its an expanding challenge and one that really does stimulate us. Let me not overstate the case, because keeping our finger on the Soviet military threat still remains our number one priority--and it must.

What I am saying is that we have had to enhance our overall interests and our overall capabilities beyond just that.

Thus, what I am really saying to you, is that today our intelligence community has got to learn to operate in a new environment a much more open environment and at the same time it must also expand the types of information which it is collecting and evaluating for the benefit of our national decision makers. In short, this is an exciting, an important, even an historic moment in American intelligence. What I believe we are doing is evolving a new model--a distinctly, uniquely, American model of intelligence. A model that truly reflects American values and what at the same time permits us to be effective in accomplishing the intelligence tasks set before us. I believe we are the best intelligence service in the world today. I assure you I am doing everything I can to keep us on top. Thank you.

QUESTIONS & ANSWERS
DCI TALK TO SAN DIEGO
CHAMBER OF COMMERCE & KIWANIS CLUB
Tuesday, 8 August 1978

- Q: In the past the intelligence community has been somewhat frangmented with different organizations going different directions. There have been reports it is being more concentrated under your control, what is the status?
- A: Last January the president signed a new executive order which did strengthen my role as the Director of Central Intelligence, the coordinator of all of our nations intelligence activities, as opposed to my other job as head of the CIA. He strengthened my authority over the budgets of the intelligence community and over what we call tasking. Telling people what to collect with these various technical and human means. But he was very careful to ensure that there was no strengthening in my authority over what we call the analytic or the interpretive part, because no intelligence data is ever so conclusive that you know exactly what it tells you. You want different interpretations, you want conflicting views to come forward and there are still independent analytic interpretative agencies inside the Defense Department, the State Department, the Department of Energy, the Treasury and the CIA. So, we have tried to find a balance of more centralized control to be sure that one man is responsible for these risky, expensive collection efforts and yet diversity of interpretation and analysis. In the six months we have been working under this new order, it is going splendidly from my point of view and I believe from everyone's.
- Q: I had read several sources, which state Soviet Russia has anywhere from 500 to 700 KGB agents roaming our United States. Is that a true facr or not?
- A: There are a lot of Soviet KGB agents in the United States. I can't confirm that number of 500-700 that you have suggested, but they are very considerable. The Soviet Union is very strong, very active in this human intelligence field that I have described to you and there are agents scattered throughout all of their official activities: their embassy, their United Nations delegation and so on, trade delegations and what not, in the United States is very substantial. I think

we are their match in the human intelligence field because we are smart, not because we have such a huge effort as they do. I think we are better than they, as I mentioned, in the sophisticated technical techniques. Finally, I would say that I always believe that you can do this interpretive function far better in a free society like ours than you can in an autocratic society like theirs. If my analysts come up with the conclusion that the President is doing something wrong, I can afford to send that to him, I'm not sure that Mr. Andrepov in the KGB would stick his neck out that far.

Q: With all these various intelligence agencies in different parts of the government, are we going to ensure that they will pool their information, that they will share it so everybody can benefit by it.

A: Yes. I tried to simplify my previous answer. Another authority that the President gave me in January was to ensure exactly what you are talking about. It is written in the Executive Order that I have authority to ensure the dissemination of information. That is not as simple as it seems because if it is very secretive (and just by knowing this information you know how we got it, and therefore, you can compromise our source) you have to be discreet about how widely you distribute it. We are working very diligently to ensure that the dissemination authority I have been given is exercised so that it gets to the right people, but not too many people so we have leaks.

Q: This is one of the most skillful and statesman-like presentations I have heard in a long time. Does that mean you are going to run for President?

A: Well, I am sure you can appreciate from the introductory remarks, that the fact I was a classmate of the President of the United States had nothing to do with my success in getting this job, I have done it strictly on merit. In all seriousness let me assure you that I have watched our fine President and I can tell you that that is the most backbreaking, the most demanding job that any man can ask for in our country, and I don't know why people ask for it, but it really is amazing to see a man like President Carter who has to cover such a span of knowledge, such a span of activities in his every day decisions and conversations. It really is a remarkable ability that anyone who fills that job has to rise to.

Q: (Inaudible)

A: The Soviet civil defense effort is quite extensive. We believe today that they can put into shelters the majority of their leadership and 10 to 20% of the urban population. In order, however, to protect a more substantial portion of their population they would have to go to evacuation of their major cities. This would take a number of days to accomplish. When they had done that, they could reduce the population fatalities considerably. The implications for us are certainly: number one, that they are interested in ensuring they do build every part of a total warmaking capability; and secondly, that before they could use civil defense to really assist them in a potential war situation, they would have to give us a clear signal by commencing this evacuation on a very mass scale.

Q: How accurate is Jane's Fighting Ships?

A: They do a very credible job.

Q: (Inaudible)

A: What is the status of the relationship between Soviet Union and Communist China? Every indication we have is that the rift between them is very strong, very deep, on both ideological and practical grounds. Each seems to be genuinely concerned of a military threat from the other. I see no signs at this time of any steps toward reconciliation.

Q: Admiral Turner to follow up on the gentleman's question on Soviet defense. Why is it the Soviet Union has a four-star general in charge of civil defense and their budget exceeds ours by almost five to one, and we have as our director of civil defense the former campaign manager of President Carter.

A: I alluded to that a minute ago, let me expand. The Soviet philosophy on military force is basically different than ours. The Soviets feel the way to deter war is to have a total war fighting capability: To be able to sit down and say to yourself, if a war came could I go through every step that might take place if we had a nuclear war. I'm not advocating one or the other, I think I am just saying that those are the two different approaches to it which lead to this difference in rank and money and emphasis.

Q: Would you discuss the current oversight by the Congressional committees and the relationship CIA has with Congress now?

A: I am certainly glad you asked that question because I totally overlooked and omitted it, although it was supposed to be in my text. There are three basic oversight bodies that I wanted to mention to you. The leadership of the Executive Branch, the President and Vice President; the Intelligence Oversight Board which is subordinate to the Executive branch, it is part of it; and then on the Congressional side, two committees. One has been in business two years, one just a year now. One in the House of Representatives, one in the Senate. I am finding the oversight committees, very fine and very helpful. On the other hand, they give me advice and I find that very useful. On the other hand, however, they are scrupulous in ensuring that any time they suspect something may be done improperly, they call me up interrogate me, my people, ask for reports and really do investigate very thoroughly. I find them constructive in their tone, but nonetheless, a very vigorous in their oversight procedures. It is with respect to them, however, that I was alluding to the fact that it would probably be several years before we settle out on just what this relationship is going to be. How much of our sources and methods of intelligence must I disclose to them in order to give them the ability to do the oversight job that they are supposed to do. It is a narrow line, it is a difficult one, it has been working well. I am optimistic that it is going to come out well, but I told you it would be some time before I can guarantee that to you. Their next step, which has been under public debate with hearings in the Senate for the last four months, is to write what they call charters for the intelligence community: to rewrite the basic law concerning intelligence and very specifically to lay out what the rules are under which I am to operate in the future. The nature of that law is going to be very important to us. We are working with them; I am sure it is going to come out well; it is going to take time to do it.

I really am grateful for your intense interest and your excellent questions. It has been fun to be with you and it is always great to be back in this wonderful city.